

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

NOMINATIONS

Thursday, November 9, 2017

Washington, D.C.

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Thursday, November 9, 2017

U.S. Senate
Committee on Armed Services
Washington, D.C.

The committee met, pursuant to notice, at 10:01 a.m. in Room SD-G50, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

Present: Senators McCain [presiding], Inhofe, Wicker, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Cruz, Reed, Nelson, McCaskill, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, Heinrich, Warren, and Peters.

1 OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR
2 FROM ARIZONA

3 Chairman McCain: The Senate Armed Services Committee
4 meets today to consider the nominations of Mr. Robert H.
5 McMahan to be Assistant Secretary of Defense for Logistics
6 and Materiel Readiness; Mr. R.D. James to be Assistant
7 Secretary of the Army for Civil Works; Dr. Bruce D. Jette to
8 be Assistant Secretary of the Army for Acquisition,
9 Logistics, and Technology; and Mr. Shon J. Manasco to be
10 Assistant Secretary of the Air Force for Manpower and
11 Reserve Affairs.

12 I want to say that we are moving this process along.
13 We have a number of nominees in the Department of Defense,
14 and this will be the second group of four in 3 days that we
15 will be holding hearings on and hopefully move forward with
16 as quickly as possible.

17 We thank you all for joining us this morning. We also
18 welcome your family and friends here with us today. As is
19 our tradition, at the beginning of your testimony, we invite
20 you to introduce those who are joining you.

21 It is the standard for this committee to ask certain
22 questions in order to exercise its legislative and oversight
23 responsibilities. It is important that this committee and
24 other appropriate committees of the Congress be able to
25 receive testimony, briefings, and other communications of

1 information. I would ask that you each provide responses to
2 the following questions.

3 And think about your answers. Think about your
4 answers. Other nominees have come before this committee and
5 they have not complied with the answers that they have
6 given, which is a source of frustration, which caused us to
7 have to hold nominees until we got the kind of cooperation
8 that the Constitution says we are required to have.

9 So, have you adhered to applicable laws and regulations
10 governing conflicts of interest?

11 Mr. McMahon: Yes.

12 Mr. James: Yes.

13 Dr. Jette: Yes.

14 Mr. Manasco: Yes.

15 Chairman McCain: Will you ensure that your staff
16 complies with deadlines established for requested
17 communications, including questions for the record in
18 hearings?

19 Mr. McMahon: Yes.

20 Mr. James: Yes.

21 Dr. Jette: Yes.

22 Mr. Manasco: Yes.

23 Chairman McCain: Will you cooperate in providing
24 witnesses and briefers in response to congressional
25 requests?

1 Mr. McMahon: Yes.

2 Mr. James: Yes.

3 Dr. Jette: Yes.

4 Mr. Manasco: Yes.

5 Chairman McCain: Will those witnesses be protected
6 from reprisal for their testimony or briefings?

7 Mr. McMahon: Yes.

8 Mr. James: Yes.

9 Dr. Jette: Yes.

10 Mr. Manasco: Yes.

11 Chairman McCain: Do you agree, if confirmed, to appear
12 and testify upon request before this committee?

13 Mr. McMahon: Yes.

14 Mr. James: Yes.

15 Dr. Jette: Yes.

16 Mr. Manasco: Yes.

17 Chairman McCain: Do you agree to provide documents,
18 including copies of electronic forms of communications, in a
19 timely manner when requested by a duly constituted committee
20 or to consult with the committee regarding the basis for any
21 good-faith delay or denial in providing such documents?

22 Mr. McMahon: Yes.

23 Mr. James: Yes.

24 Dr. Jette: Yes.

25 Mr. Manasco: Yes.

1 Chairman McCain: Have you assumed any duties or
2 undertaken any actions which would appear to presume the
3 outcome of the confirmation process?

4 Mr. McMahon: No.

5 Mr. James: No.

6 Dr. Jette: No.

7 Mr. Manasco: No.

8 Chairman McCain: Thank you.

9 Mr. McMahon, the Department of Defense is feverishly
10 trying to restore military readiness through the reset and
11 recapitalization of equipment needed to respond to current
12 and future threats. At the same time, our military must
13 meet the need for long-lead items and logistics concerns
14 across the globe. The next Assistant Secretary of Defense
15 for Logistics and Materiel Readiness will be at the center
16 of our readiness recovery efforts.

17 As a former major general in the Air Force with
18 responsibility for logistics, you have seen firsthand how
19 crucial these issues are to readiness. If confirmed, we
20 expect that you will leverage your experience to help each
21 service restore readiness, which it is not today.

22 Along the way, we will look to you to keep us apprised
23 on how the department will reshape its policies to ensure
24 that equipment can be repaired on time and delivered to
25 theater fully mission-capable.

1 Mr. McMahon, I was just, 2 days ago, at a service for
2 those 10 brave, young Americans who were killed in the John
3 S. McCain accident or tragedy, with their families. There
4 are very few things that are as moving as to meet the
5 families of those who have sacrificed. And it did not have
6 to happen.

7 That is the tragedy of all this. Because of
8 sequestration, the ship was not ready. They were not
9 trained. They had sailors working 100-hour workweeks. And
10 part of the responsibility for that lies right here in the
11 Congress of the United States in the form of sequestration.

12 I am happy to see that there is an increase in defense
13 spending, although not nearly enough. But we have finished
14 our markup, and I believe that it is sufficient to move
15 forward in restoring our military capability.

16 So, Mr. James, if confirmed as the Assistant Secretary
17 of the Army for Civil Works, you will oversee the Corps of
18 Engineers activities for civilian projects and environmental
19 regulation and permitting. The recent devastating
20 hurricanes in Texas, Florida, and Puerto Rico highlight
21 concerns in our Nation's infrastructure and our ability to
22 withstand growing environmental threats.

23 The Corps of Engineers will have a significant role to
24 play in recovery efforts. We look forward to hearing how
25 you will address the many challenges facing the corps as it

1 takes up the charge of helping these communities rebuild
2 their infrastructure.

3 Dr. Jette, the Army is woefully behind on
4 modernization. Our soldiers are increasingly unprepared to
5 confront the threats and challenges of the future. The
6 glaring capability gaps will only get worse as our
7 adversaries rapidly modernize their forces.

8 Put simply, our Army is outranged and outgunned. That
9 is not John McCain's words. That is the Secretary of
10 Defense's words.

11 The Army's modernization woes are inextricably linked
12 to its disastrous acquisition record over the last 2
13 decades: too many underperforming or canceled programs; too
14 few real capabilities fielded; and far too much taxpayer
15 money wasted, nearly \$50 billion.

16 The Army's recent announcement of six key priorities
17 for force modernization was a step in the right direction.
18 Beyond that now is the time for a comprehensive
19 modernization plan that will turn those priorities into real
20 weapons and equipment in the hands of our soldiers.

21 I look forward to hearing how you will rise to this
22 challenge, if confirmed as Assistant Secretary of the Army
23 for Acquisition, Logistics, and Technology.

24 Mr. Manasco, our Air Force is the smallest it has ever
25 been, both in terms of number of aircraft and number of

1 personnel. Mr. Manasco, do you know how many F-18s are not
2 operational? What percentage?

3 Mr. Manasco: Senator, I do not.

4 Chairman McCain: Well, I can tell you, it is 60
5 percent.

6 As I said, if confirmed as the Assistant Secretary of
7 the Air Force for Manpower and Reserve Affairs, you will be
8 charged with turning around the Air Force manpower deficit.
9 The President's request for an Active Duty end-strength of
10 325,000 airmen falls 25,000 short of the requirement
11 articulated by the Air Force Chief of Staff.

12 Your challenge is to be as innovative and forward-
13 thinking as the airmen you will be leading. You must ensure
14 manpower and personnel policy decisions are firmly linked to
15 a coherent strategy.

16 Just 3 years ago, the Air Force kicked out 20,000 of
17 its airmen. That is the kind of shortsighted decision-
18 making we cannot afford. If confirmed, this committee will
19 expect you to be an advocate for sound, strategy-driven
20 policy. Our airmen deserve nothing less.

21 I thank our witnesses again for their willingness to
22 serve and look forward to their testimony.

23 Senator Reed?
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1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Thank you very much, Mr. Chairman. Let
4 me join you in welcoming the nominees and thank them for
5 their willingness to serve in these important positions at
6 the Department of Defense.

7 I would also like to recognize and thank the families
8 of the nominees for their support and willingness to support
9 on the behalf of our men and women in service.

10 And, Mr. McMahon, you are nominated to serve in the
11 role of Assistant Secretary of Defense for Logistics and
12 Materiel Readiness. If confirmed, you will be the principal
13 sustainment adviser to the Secretary of Defense and will be
14 responsible for ensuring that our warfighters are properly
15 supplied and have their equipment reliably maintained.

16 It is my hope that, if you are confirmed, you will
17 focus, in particular, on reducing the significant
18 maintenance backlogs across our organic maintenance
19 facilities and improve the performance of spare parts
20 delivery between the Defense Logistics Agency and the
21 military services.

22 Mr. James, if confirmed, you will be charged with
23 overseeing the Army's Civil Works Program and will be
24 responsible for flood damage reduction at a time when our
25 Nation has been hit with an unusual number of hurricanes and

1 other natural and manmade disasters. You will need to work
2 in close coordination with the chief of the Army Corps of
3 Engineers to oversee matters of national importance, such as
4 the conservation and development of our country's water
5 resources, our water supply, protection of our shores,
6 environmental restoration efforts, and many other issues,
7 ranging from harbor navigation to hydroelectric power.

8 Mr. James, I have two areas of concern regarding your
9 nomination that I hope you will address today.

10 First, how will the U.S. Army Corps of Engineers plan,
11 account for, and adapt to flood risks in their project
12 designs given the recent decision by this administration to
13 rescind an executive order related to Federal flood risk
14 management standards?

15 Second, Mr. James, I am interested in knowing if you
16 will recuse yourself from any potential conflicts of
17 interest regarding Army Corps projects in the St. John's
18 Bayou-New Madrid floodplain and Birds Point-New Madrid
19 floodway, given your family interest in those areas.

20 Dr. Jette, if confirmed, you will be taking on an
21 important role to try to improve Army acquisition programs.

22 Since the passage of the Weapon Systems Acquisition
23 Reform Act of 2009, program outcomes have improved due to
24 more emphasis on testing, early engineering, and design
25 work, and better estimating of program costs. But we all

1 know more needs to be done, especially as the Army tries to
2 position itself to deal with the growing spectrum of
3 threats, including potentially dealing with peer
4 adversaries, and also tries to keep up with the accelerating
5 pace of global technological change.

6 I look forward to hearing how you plan to start taking
7 on these challenges.

8 Mr. Manasco, if confirmed as the Assistant Secretary of
9 the Air Force for Manpower and Reserve Affairs, you will
10 face many challenges in ensuring first and foremost that the
11 Air Force has adequate numbers of ready and trained airmen
12 of sufficiently high character and talent to meet national
13 defense objectives. The Air Force is facing a pilot
14 shortage and must change the culture of offering the maximum
15 bonus to every pilot regardless of platform if it expects to
16 be able to influence recruiting and retention behavior going
17 forward, as well as considering increased use of warrant
18 officers and enlisted personnel to fill pilot positions.

19 In addition, I am concerned about the Air Force's
20 recent announcement of a 100 percent promotion rate to major
21 regardless of performance, which will come at both a
22 qualitative and quantitative cost.

23 Mr. Manasco, I am interested in any views you have on
24 these issues and any others.

25 Again, I would like to thank all of you for your

1 willingness to serve our Nation, and I look forward to
2 hearing your thoughts and ideas.

3 Thank you very much, Mr. Chairman.

4 Chairman McCain: I thank you, Senator Reed, and I
5 thank our witnesses again for their willingness to serve,
6 and look forward to their testimony.

7 First, though, I would like to extend a courtesy to our
8 colleague from Missouri, Senator Blunt, who would like to
9 introduce Mr. James.

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1 STATEMENT OF HON. ROY BLUNT, U.S. SENATOR FROM
2 MISSOURI

3 Senator Blunt: Thank you, Chairman. Thank you for
4 your leadership of this committee and your decades of
5 incredible and dedicated service to the country.

6 It is a privilege for me to be here today to introduce
7 R.D. James. He has been a friend of mine a long time. He
8 has been nominated to serve as the Assistant Secretary of
9 the Army for Civil Works, which oversees the Corps of
10 Engineers' nonmilitary programs.

11 Mr. James is from New Madrid, Missouri. I was glad
12 that Senator Reed got that pronounced right.

13 Senator Reed: That is the way we say it up in Rhode
14 Island.

15 Chairman McCain: If you will excuse me a minute,
16 Senator Blunt, we have a quorum.

17 Senator Blunt: Go right ahead, sir.

18 Chairman McCain: Since a quorum is now present, I ask
19 the committee to consider the nominations of Robert Behler
20 to be director of operational test and evaluation, Thomas
21 Modly to be Under Secretary of the Navy, and James Geurts to
22 be Assistant Secretary of the Navy for Research,
23 Development, and Acquisition.

24 Is there a motion to favorably report these three
25 nominations?

1 Senator Reed: So moved.

2 Chairman McCain: Is there a second?

3 Senator Wicker: Second.

4 Chairman McCain: All in favor, say aye.

5 [Chorus of ayes.]

6 Chairman McCain: The motion carries. The nominations
7 will be sent to the floor.

8 Please proceed. I apologize.

9 Senator Blunt: No, I thank the chairman. Having a
10 quorum in the room is really important, and you should take
11 advantage of it when it occurs.

12 I was about to say, Mr. James is from New Madrid,
13 Missouri, and I was pleased that Senator Reed got that name
14 right. The first time New Madrid got much attention in
15 Washington, D.C., was about 1803 when the New Madrid
16 earthquake occurred, and the Mississippi River ran
17 backwards, and church bells rang in Washington when that
18 earthquake occurred.

19 Mr. James does not have a lot of earthquake potential.
20 He is a very solid guy who is going to do this job in a way
21 that brings his deep understanding of our Nation's water
22 resources and needs with him.

23 He is a civil engineer, a farmer, a small-business man.
24 And because of that, he has a perspective of someone who
25 knows firsthand the importance of the role the Corps of

1 Engineers plays in civilian projects.

2 For the past 36 years, Mr. James has served as a member
3 of Mississippi River Commission. That is a commission
4 confirmed by the Senate, providing advice to the Congress,
5 several administrations, and to the Army Corps.

6 His vast experience with our Nation's most significant
7 waterway and decades of leadership on flood control and
8 navigation issues has prepared him to effectively take on
9 this job.

10 I know Mr. James believes, as I do, that our Nation
11 finds itself at a pivotal point where we must decide to make
12 smart investments in our Nation's critical infrastructure or
13 else lose our competitive advantage in the world economy.

14 As the administration continues to develop its
15 infrastructure proposal, it is vital that we have a strong
16 voice for our Nation's ports, flood control, and maritime
17 infrastructure so there is a comprehensive approach to our
18 intercontinental transportation system.

19 As the events of the past couple months show, the corps
20 plays an indispensable role in response and recovery from
21 national disasters as well as in the planning and
22 construction of flood control projects to reduce future
23 risk.

24 I have full confidence in Mr. James. I think he has
25 the knowledge and skills needed to provide the leadership

1 for the corps to fulfill this vital mission, and I urge your
2 support of his confirmation and nomination.

3 Chairman McCain: I thank you, Senator Blunt, for
4 coming here to introduce this nominee. We appreciate very
5 much your leadership and your involvement in these issues,
6 which are also very important to your State. So I thank
7 you. And I know you have other responsibilities.

8 Senator McCaskill: And I second Senator Blunt's
9 introduction.

10 Chairman McCain: Good. The second will be included in
11 the record.

12 Now Mr. Manasco will be introduced by the committee's
13 own Senator Cruz.

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1 STATEMENT OF HON. TED CRUZ, U.S. SENATOR FROM TEXAS

2 Senator Cruz: Thank you, Mr. Chairman.

3 Gentlemen, congratulations on your nominations.

4 Welcome.

5 And let me thank the Senator from Missouri who just
6 made the introduction for his history lesson on the
7 earthquake of New Madrid of 1803, which may well be the last
8 time church bells rang in Washington, D.C.

9 I have the privilege today of introducing a fellow
10 Texan to this committee, Mr. Shon Manasco. Shon hails from
11 the San Antonio area and comes to this nomination not only
12 exceptionally capable but also very well-qualified.

13 Most recently, Shon was the cofounder of Innovative
14 Breakthroughs in San Antonio. Before that, Shon was the
15 chief administration officer of USAA, and previously served
16 as senior vice president at Bank of America.

17 He is a proud graduate of the United States Military
18 Academy and of Southern Methodist University. Shon is a
19 Army veteran who hails from a long line of veterans who
20 served our Nation and participated in every conflict dating
21 all the way back to the Civil War.

22 During Shon's time in the military, he served as a
23 paratrooper at Fort Bragg and was selected to become the
24 director of finance and accounting for the Office of
25 Military Support. He has also held numerous staff and

1 leadership positions supporting operational activities for
2 Joint Special Operation forces.

3 The Air Force is facing many challenges but perhaps
4 none more acute than rebuilding of readiness while ensuring
5 that we have the force structure necessary to enable a
6 robust and proficient Air Force. The role Shon has been
7 nominated for is critical as the department works to tackle
8 these challenges, but I have no doubt that he will be an
9 important contributing factor to the United States Air
10 Force, the Department of Defense, and, ultimately, our
11 Nation.

12 Shon, thank you for being here today. Thank you for
13 your willingness to continue serving, and I look forward to
14 your confirmation.

15 Chairman McCain: I thank the Senator.

16 And we will begin.

17 Mr. James?

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1 STATEMENT OF R.D. JAMES, TO BE ASSISTANT SECRETARY OF
2 THE ARMY FOR CIVIL WORKS

3 Mr. James: Thank you, Chairman McCain, Ranking Member
4 Mr. Reed, and honorable members of this committee. I wish
5 to express my gratitude for allowing me to testify before
6 this distinguished committee this morning.

7 I also thank you for allowing me to recognize my family
8 with me today. My wife, Virginia James; our son, Riley
9 James; his wife, Lydia Fowler. And I would also like to
10 recognize our daughter, Elizabeth, who departed this life 22
11 years ago at the age of 19 years. Their love and support
12 encourage and sustain me.

13 I would be remiss if I did not express my grateful
14 appreciation to President Trump for considering me for this
15 important position. I find it deeply humbling to have the
16 trust of the President and the support of Secretary Mattis.

17 Our Nation was blessed from its creation with an
18 abundance of natural resources. Due to the vision and
19 commitment of those that came before us and the
20 determination and sacrifice of the American people, we now
21 enjoy a system of inland waterways that contains more miles
22 of navigation than the rest of the world combined.

23 The interior of our country is also blessed with one of
24 the largest contiguous agricultural areas in the world, an
25 asset that feeds our Nation and others around the globe.

1 The inland waterway system not only overlays vast acreages
2 of fertile, productive farmland, but it also connects the
3 major industrial centers of the interior with the largest
4 deep draft coastal ports that link us to the world in trade
5 and defense.

6 Owing largely to the natural geographic advantage, the
7 strong multigenerational commitment by successive Congresses
8 and administrations to a program of civil works, this Nation
9 became the economic power that it is today, all while
10 keeping our rivers viable for recreation and water supply.

11 The U.S. Army Corps of Engineers delivered that Civil
12 Works Program and will continue to execute future
13 commitments made by the legislative and executive branches.

14 We can also be proud that we have improved and will
15 continue to improve our water resources and its
16 interconnected ecosystems and environmental enhancements to
17 restore the past damages and mitigate present impacts so
18 that our investments can be sustained for future
19 generations.

20 In addition, our U.S. Army Corps-operated hydropower
21 plants contribute more sustainable energy to our Nation than
22 any other generators of power by renewable projects.

23 Acknowledging all infrastructure investments made
24 throughout our history, my experience as a civil engineer on
25 the Mississippi River Commission has demonstrated that much

1 of our infrastructure investments and commerce would not
2 remain viable without reliable flood control infrastructure
3 to provide protection.

4 I deeply appreciate the opportunity to sit before this
5 committee. If confirmed, I look forward to engaging and
6 working with you, Mr. Chairman, and all of the Congress to
7 address the vital navigation, hydropower, flood control, and
8 environmental sustainability challenges of our Nation. I
9 hope to be a part of our generation's legacy in continuing
10 the Nation's commitment to delivering world-class
11 infrastructure and maintaining our economic advantages.

12 I am grateful for your consideration of my nomination,
13 and I look forward to your questions.

14 [The prepared statement of Mr. James follows:]

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1 Chairman McCain: Thank you.

2 Mr. McMahon?

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1 STATEMENT OF ROBERT H. McMAHON, TO BE ASSISTANT
2 SECRETARY OF DEFENSE FOR LOGISTICS AND MATERIEL READINESS

3 Mr. McMahon: Thank you, Chairman McCain, Ranking
4 Member Reed, and members of the committee, for your
5 consideration of my nomination to be Assistant Secretary of
6 Defense for Logistics and Materiel Readiness. I am honored
7 to be before you today.

8 I am humbled that President Trump and Secretary Mattis
9 have nominated me for this opportunity to once again serve
10 our Nation, and I wish to thank both of them for their
11 confidence in me.

12 I also want to thank Senator Perdue, Secretary Perdue,
13 and Congressman Austin Scott for the support and
14 encouragement they have given me during this process.

15 Most importantly, I want to thank my family for their
16 love and support. Today, sir, I am joined by my wife, Hope,
17 a career civil servant for the Department of Defense.

18 Chairman McCain: Welcome.

19 Mr. McMahon: My daughter, Erin Black, and her husband,
20 Matt.

21 Chairman McCain: Welcome.

22 Mr. McMahon: And my son, Bobby McMahon.

23 Chairman McCain: Welcome.

24 Mr. McMahon: There is nothing more noble than serving
25 others, especially those who have voluntarily raised their

1 hands and said, "Here I am. Send me." As a Nation, we have
2 an obligation to provide those who have raised their hand
3 with the tools necessary to successfully accomplish the
4 military and humanitarian missions we give them.

5 If confirmed, I look forward to working with Secretary
6 Mattis, Under Secretary Lord, and the rest of the Department
7 of Defense team to ensure these brave warfighters have what
8 they need to defend this Nation.

9 As the guardians of the Nation's freedom, we must
10 always be ready to fight and win tonight. Ever present
11 threats require an ever-ready force.

12 Gone are the days that our Nation has the luxury to
13 take months or even years to rearm and prepare for war.
14 What worked in World War II or even Desert Storm will not
15 work today.

16 And although new systems and capabilities will be
17 essential to maintaining our future military superiority,
18 tonight's fight will be executed with the weapons systems
19 currently in our cantonment yards, currently at sea, and
20 currently on our flightlines. Therefore, it is paramount
21 that we properly invest not only in the future, but in the
22 readiness and sustainment of our current fleet of systems as
23 well.

24 Very simply, what makes the United States military
25 stand out above others is our ability to project and sustain

1 our Armed Forces at anytime and anywhere in the world. And,
2 if confirmed, I will focus on continuing to maintain those
3 essential attributes.

4 Unfortunately, 16 years of continuous combat operations
5 has taken a toll on our equipment. This combined with an
6 aging fleet of systems due to limited modernization and
7 recapitalization over the past 2 decades requires us to be
8 more aggressive and more innovative in our effort to reset
9 the force.

10 If confirmed, I will work with the Congress, the
11 services, and with our industry partners to refine our
12 current processes, enhance our organizational relationships,
13 and revise our current policies and regulations, all with a
14 goal of optimizing our readiness and lethality while
15 ensuring we maximize the value of every tax dollar spent.

16 In terms of specifics, Secretary Mattis has presented a
17 clear vision of what is necessary to achieve these two goals
18 through his defense reform initiatives. The Logistics and
19 Materiel Readiness team is already actively engaged in this
20 effort with a focus on transforming weapons system
21 sustainment to enhance both near-term and long-term
22 readiness; supporting the reform management initiatives, in
23 particular the supply chain initiative; improving cost
24 management; and finding whole-of-government efficiencies.

25 If confirmed, I look forward to leading their efforts

1 to achieve reforms in these four areas as well as other
2 areas still to be identified.

3 In addition, if confirmed, I will work with the
4 Congress, the services, and with industry to find better
5 ways to control sustainment costs on new acquisitions, costs
6 that historically have represented over 70 percent of the
7 total lifecycle cost of a weapons system.

8 Finally, during my 34 years in military service, the
9 most important lesson I learned was that what differentiates
10 our military from every other military force in the world is
11 the quality of our people, our soldiers, sailors, airmen,
12 and marines, military and civilian, Active, Reserve, and
13 Guard. If we take care of them, to include giving them the
14 tools they need to successfully execute, they will take care
15 of the mission.

16 If confirmed, I am committed to ensuring we as a
17 department will do everything we can not to let them down.

18 Thank you and I look forward to your questions.

19 [The prepared statement of Mr. McMahon follows:]

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1 Chairman McCain: Thank you.

2 Dr. Jette?

3 And welcome to the families, by the way.

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1 STATEMENT OF BRUCE D. JETTE, PH.D., TO BE ASSISTANT
2 SECRETARY OF THE ARMY FOR ACQUISITION, LOGISTICS, AND
3 TECHNOLOGY

4 Dr. Jette: Chairman McCain, Ranking Member Reed, and
5 members of the committee, thank you for the opportunity to
6 testify before you today.

7 I would like to thank President Trump for nominating me
8 and Secretary Mattis for recommending me to the position of
9 Assistant Secretary of the Army, Acquisition, Logistics, and
10 Technology.

11 I would like to recognize my family today. My son,
12 Steven, graduated from West Point in 2001 as a military
13 intelligence officer and is once again a second lieutenant,
14 this time in medical school to become an Army doctor. His
15 beautiful wife, Myoungjin Oh, is currently visiting family
16 in South Korea.

17 My daughter, Cristine, graduated from West Point in
18 2004 as a signal officer and was medically discharged due to
19 an injury, but continues to serve as a government employee
20 in the position of chief of fielding for the 101st Airborne
21 Division. Her husband of 2 months today, Teddy Randolph,
22 remains at Fort Campbell for duty requirements.

23 My son, Brian, is a corporal promotable in the Second
24 of the 19th Special Forces Group, West Virginia National
25 Guard, as a satellite communications operator. I hope to

1 have a "need to know" what he does in his civilian work,
2 should I be confirmed. His bride, Ashley, also of 2 months,
3 has joined him.

4 Through West Point, 28 years of service, 18 moves, two
5 overseas tours, delivery of our children in other languages,
6 MIT, 2.5 years in Iraq and Afghanistan, and starting an
7 entrepreneurial business, my bride of 40 years, Cathy, has
8 been my best friend, life partner, and love of my life. She
9 has served as much as and well as all of us.

10 I graduated from the United States Military Academy in
11 1976 into an Army entrenched in a Cold War. The Soviet
12 threat resulted in the Big 5, developed through an
13 acquisition process, derived from systems engineering, and
14 based on assumptions formulated in the 1960s. Focus, time,
15 money, and a less innovative adversary produced overmatch
16 helping to win the Cold War.

17 Following 9/11, the Army found itself fighting
18 innovative and creative terrorists who effectively employed
19 improvised devices and commercial technologies. The formal
20 acquisition process still in place today and taking an
21 average of 12 years to field a system could not respond.

22 In May 2002, I was afforded the opportunity to take
23 robots into combat by forming a small team that integrated
24 DARPA robots with government and commercial off-the-shelf
25 items. In only 28 days, we took them into caves in

1 Afghanistan rather than sending soldiers with grappling
2 hooks and grenades. Robots are now broadly used in combat
3 operations.

4 Perhaps more importantly, this instigated the Army and
5 DOD --

6 Chairman McCain: Whose program was the robots?

7 Dr. Jette: Sir, that was a program started called
8 Rapid Integration Robotic Systems.

9 Chairman McCain: Made by?

10 Dr. Jette: iRobot was the robots we used, sir.

11 Chairman McCain: And that company is based?

12 Dr. Jette: In Massachusetts.

13 Chairman McCain: Thank you.

14 Dr. Jette: Perhaps more importantly, this instigated
15 the Army and DOD's rapid acquisition model.

16 Russia, China, Iran, North Korea, and terrorist
17 networks have studied our successes and incorporated them,
18 including rapid development and acquisition, into their own
19 systems, eroding our overmatch to near-peer status while our
20 major force system continued to depend on the much slower
21 formal process.

22 The Army must, first, ensure readiness in the face of
23 continuing and escalating threats through refurbishment and
24 upgrades while continuing to address emerging threats real
25 time. But this approach must be balanced with the need for

1 modernization, not just incremental improvement but with an
2 eye toward regaining a clear overmatch.

3 To do this, I believe the Army needs a new acquisition
4 system, not just rapid but inherently fast, responsive to
5 current and emerging needs, and visionary in meeting long-
6 term threats, leaping ahead of the capabilities of major
7 adversaries.

8 Army senior leadership has posed forming cross-
9 discipline teams to bring together technology development,
10 requirements generation, and acquisition. Weaving these
11 together interactively with innovative contracting, robust
12 cost assessment, and appropriate testing is key.

13 Commercial technologies must be leveraged to the
14 maximum extent possible, and the tech base focused on
15 military unique developments or integration. Prototyping,
16 along with spiral and incremental development, can transform
17 early failures into cost-effective learning experiences.

18 The Army is replete with dedicated, talented people.
19 They need senior leadership guidance, encouragement, and
20 reassurance to be innovative, understand and accept
21 responsibility, and to reduce a culture that is risk-averse.

22 I served with two of my children in Iraq, and only
23 because of injury, not all three. Every soldier is my
24 child. This makes my motivation for necessary yet difficult
25 change a passion.

1 If confirmed, I will work tirelessly to truly make a
2 more effective acquisition system that meets current,
3 emerging, and long-term operational needs; helps us leap
4 back into an overmatch position; and do so in a timely
5 manner.

6 Thank you again for the opportunity to testify, and I
7 look forward to your questions.

8 [The prepared statement of Dr. Jette follows:]

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1 Chairman McCain: Thank you, doctor.
2 Mr. Manasco?
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1 STATEMENT OF SHON J. MANASCO, TO BE ASSISTANT
2 SECRETARY OF THE AIR FORCE FOR MANPOWER AND RESERVE AFFAIRS

3 Mr. Manasco: Mr. Chairman, Senator Reed, and
4 distinguished members of this committee, I am grateful to be
5 with you here this morning.

6 My nomination to this position was unexpected, and
7 while I never planned to return to public service, I am
8 humbled by the opportunity to do so. If confirmed, you have
9 my commitment that I will work diligently to ensure my
10 department is transparent, prompt, and proactive in working
11 with each of you and your staffs.

12 I am thankful for the support and confidence the
13 President, Secretary Mattis, and Secretary Wilson have
14 placed in me.

15 I also would like to thank Senator Inhofe who took a
16 chance on me as a young 17-year-old who wanted to attend an
17 academy and giving my nomination to West Point. That was
18 almost 30 years ago to the day.

19 Thank you, sir.

20 I want to thank my family and my friends for their
21 mentorship, encouragement, and loving support.

22 Senator Inhofe: Let me respond. I did a good job,
23 didn't I?

24 [Laughter.]

25 Mr. Manasco: Sir, I have tried to do you proud.

1 Chairman McCain: Let the record show that Senator
2 Inhofe did a good job.

3 [Laughter.]

4 Mr. Manasco: I am joined today by my incredible wife
5 of 25 years, Noelle, the daughter of a retired Air Force
6 navigator who is the true rock of our family and a servant
7 leader within the community, and our three sons. Our oldest
8 son, Gavin, who is studying at Texas A&M; Cade, a high
9 school senior and aspiring service academy cadet; and Ty, a
10 really talented sophomore still in high school.

11 I am also joined today by my brother-in-law, retired
12 captain from the United States Navy, Brian Hastings.

13 Chairman McCain: Welcome.

14 Mr. Manasco: I owe them everything and would do
15 anything for their well-being and happiness.

16 It is hard to identify another time in our Nation's
17 history where the threats we face are as numerous and varied
18 as they are today. Controlling the high ground is not a
19 given anymore, and therefore, we must make prudent
20 investments today to ensure air, space, and cyberspace
21 superiority tomorrow. I contend that these investments must
22 be in both weapons systems and in people.

23 If confirmed, I will bring perspectives shaped by my
24 experiences in the private sector. My focus would be on
25 critically evaluating existing practices and integrating the

1 best thinking from industry, all of this to best serve
2 airmen and to increase the strength and the lethality of the
3 force.

4 For the Air Force, and the armed services more broadly,
5 success today and in the future will be determined by our
6 ability to win in the war for talent. Winning in a hyper-
7 competitive labor market will require us to challenge our
8 conventional philosophies and our methods in how we attract,
9 develop, and overall manage talent.

10 I am convinced that in all great organizations, people
11 and culture are key differentiators. This is certainly true
12 of our Air Force.

13 So if the strength of our Air Force is in our airmen,
14 the strength of our airmen is in their families. The family
15 unit is a critical component of overall readiness and talent
16 retention.

17 I have witnessed the strain of war on families
18 firsthand through my sister, her Active Duty husband, and
19 her three wonderful children. War leaves a profound mark on
20 these families, and we owe them even more support.

21 You see, I come from a long line of servicemembers,
22 past and present, dating back to the Civil War. My
23 grandfathers fought in World War II, and members of our
24 family have been involved in every major conflict since.

25 As a young paratrooper, I depended on the Air Force

1 countless times to get me over the drop zone and, when
2 deployed, to protect my soldiers and myself from any threat
3 above. Never once did they fail me. If confirmed, I will
4 do everything I can to not fail them.

5 I thank you for your consideration, and I look forward
6 to answering your questions.

7 [The prepared statement of Mr. Manasco follows:]

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1 Chairman McCain: Thank you.

2 Mr. Manasco, while we are on the subject, the Air Force
3 is currently short approximately 1,500 pilots and counting.
4 That does not even take into consideration the fact that
5 there is going to be an exodus of the Vietnam War pilots out
6 of the civilian airliners, which is going to put enormous
7 pressures on the Active Duty force to fill in those slots
8 that are now being held by people who are on the verge of
9 retirement.

10 You are facing a personnel crisis in the United States
11 Air Force. So the Air Force is currently short
12 approximately 1,500 pilots and counting. What confounds me
13 is the Air Force comes over to say we just need more money.
14 You are never going to outbid the airlines.

15 The reason why young pilots stay in the Air Force is
16 they want to fly airplanes, not because they are going to be
17 compensated by \$50,000 or \$100,000 or whatever it is.

18 I talked to too many of them all the time. They say,
19 "Senator McCain, all I want to do is fly. I want to be in
20 combat." That is what they are all about. That is the
21 environment in which they grow up.

22 So what are we doing? We are trying to outbid the
23 airlines. You are not going to outbid the airlines on
24 compensation.

25 So you are addressing this issue of pilot shortage from

1 exactly the wrong direction. Go out to Luke Air Force Base.
2 Talk to these young captains and majors who are on the verge
3 of getting out. Ask them what it takes to stay in. You
4 know the first thing they will tell you? "I want to fly."
5 That is why they become pilots to start with.

6 Yes, we need to compensate them. But \$50,000, \$70,000,
7 whatever the hell it is, that is not going to attract them
8 because they can be outbid. It is a lifestyle.

9 Come with me down to Marine Corps Air Station Yuma. We
10 will go into the ready room and ask those young marines,
11 "What do you want to do?" "I want to fly." That is why
12 they become pilots.

13 So this whole idea of trying to outbid the airlines and
14 keeping people in the Air Force is foolish. Now, they need
15 a certain level of compensation, and this committee has
16 increased their salary by 2.4 percent. But that is not what
17 is going to keep them in the United States Air Force, Marine
18 Corps, Navy, and Army.

19 So you are looking at the problem through the wrong
20 lens. So my suggestion to you is, if you are confirmed, and
21 I assume that will be, fly around to these bases. Go to
22 these bases and sit down with the pilots say, "Look, we are
23 1,500 pilots short and counting. What do you want? What do
24 you want in order to stay in?" I will tell you what they
25 will say. "We want to fly airplanes, and we want

1 stability." And that is not present today.

2 So you have a real problem here, I mean, a real
3 problem. And to see this iceberg out there in front of the
4 ship and not do anything about it is malfeasance. So all I
5 can tell you is I recommend to you that, if you are
6 confirmed, and I believe you will be, take a quick tour
7 around our major Air Force installations. Sit down with
8 these pilots in the ready room and say, "What is it that I
9 need to do, that the government needs to do, to keep you in
10 the military?"

11 You know the first thing they will tell you? "I want
12 to fly combat." That is the first thing they will say,
13 because that is why they become pilots.

14 So this business of coming over and saying, "Senator
15 McCain, if we are going to keep these pilots in, we need
16 \$50,000," we need whatever it is, it is not that they do not
17 have comfortable lifestyles. It is that they joined the Air
18 Force, the Marine Corps, the Navy, and the Army in order to
19 serve the country, and that means doing what they are
20 trained to do.

21 So my message to you, sir, is do what I have done, and
22 what literally every member of this committee has done, and
23 go sit down with these young people. And they will tell you
24 why they would stay in, and they will tell you why they are
25 going to get out.

1 Fifteen hundred pilots short in the Air Force, and the
2 world in the turmoil it is in today, you are rapidly
3 approaching a position where you are overworking these
4 pilots, where you are making them stay away from their homes
5 and families too long.

6 So I am very worried -- very worried -- because there
7 is every evidence there could be an exodus of pilots,
8 particularly now that the civilian airliners are hiring.

9 So does the military overly rely on compensation to
10 incentivize recruiting and retention, Mr. Manasco?

11 Mr. Manasco: Sir, if confirmed, I will do just as you
12 describe. I, too, believe that compensation is not the sole
13 answer, by any stretch.

14 Chairman McCain: And I agree that it is part of the
15 answer, but it is not the only answer, okay?

16 Dr. Jette, one of the most disappointing aspects of my
17 time here, and I know I speak for my colleagues, is these
18 terrible cost overruns that have characterized acquisition
19 for the last years that we have been here.

20 The Army has squandered over \$40 billion on failed
21 acquisitions: Future Combat Systems, \$20 billion; Comanche
22 helicopter, \$5.9 billion; Crusader howitzer, \$2.2 billion;
23 armed reconnaissance helicopter, \$500 million; Ground Combat
24 Vehicle, \$1 billion; Distributed Common Ground System-Army,
25 \$3 billion; Joint Tactical Radio System, \$11 billion.

1 Do you find that acceptable?

2 Dr. Jette: Chairman, I do not find that acceptable at
3 all.

4 Chairman McCain: So what are you going to do?

5 Dr. Jette: Chairman, I do not --

6 Chairman McCain: Let me tell you, the first thing you
7 have to do is start holding people accountable. No one, to
8 my knowledge, has been fired from almost \$50 billion of
9 failures.

10 Go ahead, please. I am sorry to interrupt.

11 Dr. Jette: Senator, what I think is, I have looked at
12 this problem and thought that there has to be a four-pronged
13 approach. We need to manage the budget in a constrained
14 fiscal environment, so we have to understand what money we
15 do have and not plan on just solving any problems.

16 Chairman McCain: And you do understand that it
17 undercuts the members of this committee's commitment to
18 spending more money on defense when we are wasting \$50
19 billion?

20 Dr. Jette: Absolutely, sir. I get to pay some of
21 those taxes on the outside, so I am much on your side.

22 I believe we need to develop and implement, and I
23 mentioned in my earlier remarks, develop and implement a
24 more responsive acquisition system. I think a portion but
25 not all of the problem stems from that.

1 We need to develop and manage our human resources.
2 This goes to your point about accountability and making sure
3 they are properly trained and developed and held accountable
4 for the things that come out.

5 Chairman McCain: Let me tell you a quick story. When
6 there was a \$2 billion cost overrun on the Gerald R. Ford, I
7 asked this chief of naval operations whose fault that was,
8 and he said they did not know.

9 Dr. Jette: Sir, I hope to bring some of the things I
10 have learned in the 12 years outside of the military in
11 commercial industry to bear on this problem. We have a
12 system as part of the acquisition process, which is
13 fundamentally based on process, and, in fact, process is the
14 most important piece of it. You can complete a process and
15 not have an outcome that is worth anything.

16 Chairman McCain: We would be interested in your views
17 of the continued attempts at reform on acquisition in this
18 bill this year, not right now but for the record.

19 [Laughter.]

20 Dr. Jette: Okay, sir. Good.

21 Chairman McCain: Good. Thank you for the witnesses
22 and their families, and thank you for their service.

23 Senator Reed?

24 Senator Reed: Thank you very much, Mr. Chairman.

25 Mr. James, I mentioned in my opening remarks the

1 project in St. John's Bayou, New Madrid, \$165 million, Corps
2 of Engineers. And I understand that you have business and
3 property interests in the area.

4 Would you commit in writing to recuse yourself from any
5 involvement in this project and other projects, if you have
6 a conflict of interest?

7 Mr. James: Absolutely, Senator. Now, we are talking
8 about the St. John's project --

9 Senator Reed: St. John's basin, New Madrid, yes, sir.

10 Mr. James: Pardon me. Yes, sir. I have been recused
11 from that project for many, many years as a member of the
12 river commission. But I would sign another recusal
13 statement, if confirmed as ASA.

14 Senator Reed: Yes, sir. And there might be other
15 occasions in your tenure where projects would come up where
16 you would have the same situation. And we would expect, at
17 least I would expect, that you would similarly recuse
18 yourself. Is that your understanding?

19 Mr. James: If that were to happen, that is my
20 understanding. Yes, sir.

21 Senator Reed: Thank you, sir.

22 As I mentioned also in my opening remarks, 10 days,
23 ironically, before Hurricane Harvey, the administration
24 withdrew executive orders that basically asked the corps
25 among other agencies to take into consideration flood risks,

1 mitigation, et cetera. I have seen this play out
2 practically in my home State where we had massive flooding
3 in 2010, and they were building to the new standard. So
4 berms around wastewater treatment facilities were not X.
5 They were actually XX from new standards.

6 After Harvey, after the flooding in Florida and Puerto
7 Rico, are you going to take into consideration this trend in
8 your work with the corps?

9 Mr. James: Sir, if confirmed, I definitely will take
10 in this trend. As you know, sir, the hurricane flooding and
11 the structures that help reduce risk and devastation from
12 hurricane flooding is much different than from riverine
13 flooding. I am not as familiar with those systems from
14 hurricane flooding, but I promise you I will get to speed on
15 that right away and report back, if necessary.

16 Senator Reed: Thank you very much, Mr. James.

17 Just a final point, quickly. But you have in your
18 experience, which is extensive, seen rivers rising. Is that
19 fair? Over time, you have seen the major rivers rise?

20 Mr. James: I cannot really say yes to that, sir. We
21 had a major flood in the Mississippi Valley in 1937 only
22 surpassed by the flood of 2011.

23 I have seen more severe and more frequent storms
24 occurring, which I think may address what you are talking
25 about. And yes, sir, I believe that is correct.

1 Senator Reed: Thank you very much, sir.

2 General, one of the areas, and you have many to
3 oversee, is the Defense Logistics Agency. And one of the
4 issues that we always hear about when we go out and visit
5 forces in the field is spare parts. Can you just briefly
6 touch upon what you think you can do to expedite the flow of
7 spare parts to units?

8 Mr. McMahon: Senator, I appreciate the question.

9 There are two things that we can do. First is to have
10 a better understanding of what the requirement is and
11 understand from the customer of our services what it is that
12 they need. And then secondly, take a more collaborative
13 approach to making sure that we are stocking what those
14 requirements are. And that has to do with, first of all,
15 being able to have adequate funding to be able to support
16 that, and then secondly, ensuring that we have the
17 appropriate contracts in place to be able to deliver on a
18 timely basis.

19 Senator Reed: Thank you very much.

20 Dr. Jette and Mr. Manasco, I was tempted for a moment
21 for my first question to ask Schofield's Definition of
22 Discipline, but I will not.

23 Dr. Jette: Sir, we could both recite --

24 Senator Reed: I know you could. That is why I am not
25 going to ask. I completely understand.

1 Dr. Jette, one of the issues that comes up in your new
2 position is actually the capacity in terms of work force and
3 acquisition professionals to get the job done. Do you have
4 any sort of sense as you enter this position that we are
5 under capacity, we do not have the skills necessary, and
6 that is one of the problems with the acquisition system?

7 Dr. Jette: Yes, Senator. I was in the Army Research
8 Lab. I have been in the ARDECs. I have been in program
9 offices. And I have had to deal with them from the outside
10 as well.

11 In short, I believe that we have many, many good
12 people. I think that there are problems with skills
13 development and skills implementation and skills
14 accountability. I think there is also a difficulty with
15 distribution of those skills. We have some of the wrong
16 skills for what we need now. So I do not need a welder; I
17 need a cyber guy. And I think there is also a big problem
18 with distribution as to what they are doing and where they
19 are put.

20 Senator Reed: And that would be one of your first
21 priorities, to reallocate and to enhance capability in the
22 contracting force?

23 Dr. Jette: Yes, sir.

24 Senator Reed: Thank you very much.

25 And, Mr. Manasco, your experience in the Army, you have

1 probably seen the value of warrant officers, particularly
2 flight warrant officers. We have for years been trying to
3 convince the Air Force that they can use warrant officers
4 effectively. We have seen a little progress in terms of
5 their drone program where they have been shifting to some of
6 these platforms.

7 But is that a possible way to deal with the issue that
8 Chairman McCain pointed out, the shortage and the acute
9 shortage of pilots?

10 Mr. Manasco: Senator, I am aware that the Air Force
11 has looked at the warrant officer program that the Army
12 utilizes, and I have benefited from those skilled pilots.

13 I think the opportunity for us is to step back and, as
14 Senator McCain said, look at this holistically.

15 Retaining technical talent is of critical importance, I
16 would argue, for the Air Force and all the services. So by
17 whatever means we need to leverage to do just that, I would
18 be open to, if I am confirmed.

19 Senator Reed: And the other point, a final, is that it
20 is startling to discover that 100 percent of those who wish
21 to stay on Active Duty, captains will be promoted to major.
22 Just a normal bell curve, that is going to capture some
23 extraordinary individuals, but also, on the other end of the
24 curve, people that you are going to be wondering why they
25 are majors.

1 What can you do about that?

2 Mr. Manasco: Senator, I was caught off guard by the
3 headline when I first read it. But as I have sat down with
4 the Air Force, as I understand it, what this is really about
5 is they went through a force-shaping exercise for this
6 cohort before, and what we are currently talking about is
7 they are eligible for promotion if they are fully qualified.
8 I know those boards are set to meet here pretty soon.

9 But this is a short-term, I would say, tactic. But the
10 most important thing is we need to promote people to field
11 grade officers who are deserving of that very important
12 promotion.

13 Chairman McCain: How do you know whether they are
14 deserving or not if you promote them all?

15 Mr. Manasco: Sir, as I understand it, if you are 100
16 percent qualified, you can go in front of the board. So I
17 would leverage the board structure as the Air Force has it
18 and let those individual board presidents make those
19 decisions.

20 But I, too, would argue that this is a short-term
21 measure, and we need to be better in our communication, or
22 the Air Force should be better in its communication
23 regarding what it is they are trying to accomplish and the
24 means by which they are trying to get that done.

25 Senator Reed: Thank you, Mr. Chairman.

1 Chairman McCain: Senator Inhofe?

2 Senator Inhofe: Thank you, Mr. Chairman.

3 Mr. McMahon, I understand that you are a good friend of
4 Senator Perdue. Is that correct? Or at least he thinks you
5 are.

6 Mr. McMahon: Sir, I would never argue with Senator
7 Perdue. Yes, sir.

8 Senator Inhofe: All right. I have a statement from
9 him espousing your virtues, and on behalf of Senator Rounds,
10 I want to enter this into the record at this point.

11 Chairman McCain: Without objection.

12 [The information referred to follows:]

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1 Senator Inhofe: Mr. Manasco, 30 years ago, did you
2 think 30 years ago when I made your nomination to West Point
3 that you would be sitting before this committee in a
4 confirmation hearing to be the Assistant Secretary of the
5 Army?

6 Chairman McCain: And would you have accepted?

7 [Laughter.]

8 Mr. Manasco: Sir, the answer to your question is no.
9 And I think, as I reflected on it, it is the strength of
10 this great country and stories such as mine and so many
11 others, for people who work hard and do the right things and
12 are committed to serving others, that they can be afforded
13 just amazing opportunities. And I feel fortunate to be here
14 today, and I really stand on the shoulders of all those men
15 and women that I have worked with over the course of my
16 career.

17 Senator Inhofe: That is a great statement. It is very
18 meaningful to me personally.

19 Senator McCain was talking about the dilemma we are in
20 in terms of our pilots. Of those 1,500, actually 1,300 are
21 combat fighter pilots. And it is a serious thing. I think
22 those of us from that discipline agree with Senator McCain.

23 It actually costs, if you take someone off the streets
24 and qualify them to the level of an F-22, it costs some \$16
25 million. When you think about that, the whole idea of

1 bonuses is really overstated, and I agree with that.

2 But I understand that recently the Air Force Reserve
3 component has an alternative to Active service. Now this
4 thing is called the Total Force Aircrew Management,
5 Assignment Augmentation Process.

6 Are you familiar with this?

7 Mr. Manasco: Senator, I do not know that I am familiar
8 with that, but that is a very long acronym.

9 Senator Inhofe: Yes, and I would be shocked if you
10 were. However, they are out there. They have increased
11 their positions threefold. It is a new idea, and we have
12 been talking about this problem that we have with pilots.
13 And I would like to invite you to study that, talk to some
14 of the Reserve components about exactly how it works. It
15 might offer people in their careers to have the best of
16 both.

17 Would you do that?

18 Mr. Manasco: Yes, sir. I commit, if I am confirmed,
19 to do just that.

20 Senator Inhofe: Good, good.

21 Mr. James, one of the best kept secrets when you talk
22 about navigation ways is that we in Oklahoma are navigable.
23 Nobody knows that. We have the most inland waterways. The
24 Port of Catoosa is real. Have you ever been to the Port of
25 Catoosa?

1 Mr. James: Sir, not only have I been to the Port of
2 Catoosa, I judge the Port of Catoosa to be the most
3 impressive inland port that I have witnessed so far.

4 Senator Inhofe: Yes. Well, you and I had that
5 discussion. I knew that would be your answer.

6 [Laughter.]

7 Senator Inhofe: But if you look, there is a problem in
8 the Corps of Engineers that I kind of look at as a
9 leadership culture with the Corps of Engineers at the
10 district level. You and I talked about this. But because
11 the uninformed district commanders rotate through their
12 assignments very frequently, they sometimes struggle with
13 getting long-term civil projects in the face of bureaucratic
14 obstacles.

15 Do you agree with that as a problem?

16 Mr. James: Yes, sir. I do.

17 Senator Inhofe: And that is one that I would like to
18 have you look into, to come up with some ideas.

19 In fact, I would invite you to come out, and we could
20 have a little session with some of these people and see if
21 we could maybe improve that culture a little bit. Would you
22 be willing to do that with us?

23 Mr. James: I will be happy to do both of those, sir.
24 Yes, sir.

25 Senator Inhofe: It takes you back pretty close to

1 home.

2 And, Mr. McMahon, I know that one of the problems that
3 you are going to be dealing with is one that is a critical
4 problem, and that is the civilian work force. In fact, we
5 had a meeting not too long ago with General Levy of Tinker
6 Air Force Base. As you know, we have two of this type. We
7 have that along with the Army Depot in McAlester, Oklahoma.

8 We had a meeting with him, General Levy, and some
9 principles at Oklahoma University and Oklahoma State
10 University. And he made the statement, he said we would
11 hire every graduate engineer that you can put on the street.
12 So that is one area that is -- are you aware of some of the
13 problems right now that we are having in the not just in our
14 depots but throughout the system? And do you consider this
15 a problem that you are going to be able to address?

16 Mr. McMahon: Senator, we have a problem in our Nation
17 with those coming out with experience in science,
18 technology, engineering, and math. It is a problem
19 exacerbated in our depots because of the focus from being a
20 touch labor type of environment to things such as software.

21 So, yes, sir, I am aware of it. And if confirmed, it
22 is something that I would work with the services and our
23 personnel offices to ensure that we are trying to be able to
24 acquire the amount of engineering support that we would
25 need.

1 Senator Inhofe: That is good. I knew that you would
2 feel that way. But it takes somebody in that position who
3 really understands the problem to address it, and someone
4 who has addressed it before.

5 My time has expired, but one last thing with Dr. Jette.
6 You graduated from the academy in the middle of the late
7 1970s. Is that right?

8 Dr. Jette: Yes, sir.

9 Senator Inhofe: Wasn't that the time of our hollow
10 force?

11 Dr. Jette: Yes, sir, it was.

12 Senator Inhofe: Are you aware that I had a hearing
13 with the vice chiefs just a few weeks ago, and they have
14 said that we are back at the same stages we were then with a
15 hollow force?

16 Dr. Jette: I do not know --

17 Senator Inhofe: I do not think you have any reason to
18 have known that that went on, but it did. So I just want to
19 make sure that you remember those days, and those days are
20 back to haunt us again.

21 Dr. Jette: Senator, if I have anything that I can do,
22 should I be confirmed into this position, that can
23 contribute to resolving that, I will do so.

24 Senator Inhofe: Thank you.

25 Chairman McCain: Senator Shaheen?

1 Senator Shaheen: Thank you, Mr. Chairman.

2 And congratulations to each of you for being willing to
3 take on these challenging positions, to be considered at
4 this difficult time, and thank you to your families as well.

5 Mr. James, I want to begin with you because I have a
6 great appreciation for the Army Corps of Engineers. They
7 have been very important in the State of New Hampshire in a
8 number of projects. I particularly appreciate their
9 commitment to their civil works plan.

10 We have several dredging projects in the State, one in
11 Portsmouth Harbor, one in Seabrook in Hampton Harbor. The
12 Portsmouth Harbor project would impact the Portsmouth Naval
13 Shipyard as well. They are both critical to the economy.
14 They have safety implications.

15 So can you talk about how you will ensure that economic
16 impact and safety impacts are prioritized as the corps is
17 looking at those civil projects?

18 Mr. James: Yes, Senator. I will be happy to.

19 The major ports that you are speaking of, I am not that
20 familiar with.

21 Senator Shaheen: Sure.

22 Mr. James: But I do you know that without those major
23 ports to send our exports and add to our military defense
24 around this country, our inland waterway system would be no
25 good. That is the one I am very familiar with.

1 I commit to you that I will look into those that you
2 mentioned and be happy, if confirmed, to work on those with
3 you, and we will try to work those forward.

4 Senator Shaheen: Thank you. I very much appreciate
5 that. I think one of the challenges as we look at the
6 funding that is available for these kinds of projects is
7 that midsize projects, which often exist in smaller States,
8 have difficulty competing with larger projects in bigger
9 areas. So I hope you will look at that as well and ensure
10 that those midsize projects get a fair shot at funding.

11 Mr. James: Yes, ma'am. If confirmed, I most
12 definitely will.

13 Senator Shaheen: Thank you.

14 Dr. Jette, you talked in your opening comments about
15 the importance of innovation and how we encourage
16 innovation. I assume you are familiar with the Small
17 Business Innovation Research program. Can you talk about
18 how important that has been in driving innovation within the
19 military?

20 Dr. Jette: Senator, I believe that the SBIR program,
21 Small Business Innovation Research program, within the
22 military is actually on the order of \$1 billion a year.
23 That is a large amount of money, and it can be applied very
24 effectively and very broadly. It gives you a chance to
25 leverage funds that are also used in the commercial sector.

1 And it leaves the participants with the ability to control
2 their intellectual property, not lose it.

3 It is a very useful and valued program. And if
4 confirmed, I intend to pay special attention to it.

5 Senator Shaheen: I am really pleased to hear that
6 because it also affects small businesses very often. And if
7 we look at how they drive patents and innovation, they are
8 certainly much better drivers of innovation than large
9 businesses, so it has that added benefit as well.

10 Dr. Jette: Senator, I totally agree. I have a company
11 that does research and develops patents. And if not for
12 some of these programs, it would have been much more
13 difficult for me to have been able to achieve the things we
14 have.

15 Senator Shaheen: Thank you.

16 Mr. McMahon, in your opening statement, you talked
17 about leading reform efforts to end the decline of materiel
18 readiness. Your statement talked about the point person
19 that you will be for General Mattis' reforms.

20 Can you talk about what specific recommendations you
21 believe you could pursue to end the decline of materiel
22 readiness while we still operate in this fiscally
23 constrained environment that we are in?

24 Mr. McMahon: Senator, there are two things we can do
25 irrespective of the level of funding that we receive. And

1 that is be more effective with the dollars that we have in
2 terms of our purchases and the contracts that we establish.

3 Senator Shaheen: Can you be a little more specific on
4 that? I mean, I think we all want to be more efficient.
5 But clearly, as Senator McCain said so well, we have not
6 seen that happen in too many areas. So how, specifically,
7 do you see making that happen?

8 Mr. McMahon: Senator, when we look at our supply
9 system today, we essentially have five different supply
10 systems, one for each of the services and one for the
11 Defense Logistics Agency. Each of these services has been
12 continuing a better job of being able to procure. But the
13 more contracts that we can do across the entire DOD
14 enterprise and then look at all of whole-of-government, we
15 can continue to drive down costs.

16 There are some initiatives, in particular in whole-of-
17 government, that we look beyond the Department of Defense
18 that are in their initial stages that will help benefit us.
19 So that will make us more efficient.

20 The other thing that we can do is do a better job of
21 identifying priorities and requirements for our services on
22 what they need to make sure we are buying the right thing to
23 begin with.

24 And if confirmed, I will focus on both of those.

25 Senator Shaheen: Based on the discussion this morning,

1 I would add a third, and that is hold people accountable
2 when they do not produce.

3 Mr. McMahon: Yes, ma'am.

4 Senator Shaheen: Thank you.

5 Thank you, Mr. Chairman.

6 Chairman McCain: Senator Cotton?

7 Senator Cotton: Thank you, gentlemen, for your
8 willingness to serve our country, many of you for the second
9 or subsequent time.

10 Mr. Manasco, I want to return to an issue that has been
11 raised by the chairman and several other members of this
12 committee, which is the pilot shortage. Not to beat a dead
13 horse, but I think this is one of the gravest issues facing
14 the Air Force.

15 As chairman of the airland power subcommittee, I see it
16 frequently. I have also held roundtables with young pilots,
17 captains and majors who are making the decision of whether
18 to stay on Active Duty or not.

19 I can say, as Senator McCain has said, as Senator
20 Inhofe has said, most of us believe it is not a matter of
21 the money. The bonuses are nice, but the bonuses will
22 simply never compete with the year-to-year base compensation
23 that private airlines can pay these young men and women.

24 They did not join the Air Force to make money. They
25 joined the Air Force to fly high-performance aircraft and

1 kill bad guys. And we need to make it easier for them to do
2 that.

3 Some of their complaints, for instance, are fewer
4 flying hours, extra duties not related to being a pilot,
5 less predictable scheduling than they can get in the private
6 airlines, and a career track that does not allow them to
7 continue flying.

8 Just to dig in a little bit more on a couple of those,
9 not only do the airlines pay more money, but they can give
10 more predictable schedules. As an airline pilot, you can
11 usually pick which 10 days of the month you want to fly.
12 You know when you were going to be flying 60, 90 days out.
13 You can tell your husband or wife and your children when you
14 are going to be home and when you are not going to be home.
15 That is not the case with our pilots.

16 Extra duties, things from planning schedules or being
17 the election advisory officer and everything else, there are
18 plenty of officers in the Air Force who can probably perform
19 those functions besides our highly trained pilots.

20 The potential of a dual-career track. I know there is
21 a strong culture in the Air Force, as there is in most other
22 services, that officers need to be well-rounded, need to
23 move up the promotion ladder. They need to see all aspects
24 of command. One key difference, though, is that our Air
25 Force pilots, like our privates in the Army and the Marine

1 Corps, are the ones who are highly trained at the tip of the
2 spear. They are individually skilled personnel who are
3 performing the heart of the mission.

4 Just like we allow noncommissioned officers to stay on
5 the frontlines with Joe essentially through their entire
6 career, I think the Air Force needs to take a very careful
7 look at allowing their pilots to do the same thing as well.

8 And then finally, trying to balance out the burden of
9 flying all platforms, the Air Force has made some
10 incremental steps to allowing warrant officers,
11 noncommissioned officers, to begin to pilot UAVs remotely.
12 I think they need to look more carefully at that.

13 But I would urge you, any time the career flag officers
14 or field grade officers in the Air Force who are going to be
15 on your staff ask you to come to this committee or make a
16 request that includes more money in the forms of bonuses,
17 tell them to go back to the drawing board, because, one, we
18 cannot compete with the airlines on money in the long run;
19 and, two, it is a solution that is not solving the problems
20 that our very pilots have identified.

21 Would you like to respond?

22 Mr. Manasco: Senator, I think all the recommendations
23 that you have made are very good ones to pursue. I would
24 also add that I think we need to spend more time with
25 families to understand what their concerns are. Because as

1 I said in my opening statement, I do believe that families,
2 and you alluded to some of that, are really critical to the
3 overall retention.

4 And if confirmed, I will pursue all those avenues to do
5 what I can to influence and reduce the shortage that we
6 have.

7 Senator Cotton: Thank you. The importance on families
8 is critical, as I mentioned. The predictable scheduling
9 that you get in private airlines really is an advantage that
10 they have over the Air Force right now, but it is not an
11 advantage that they must have, especially when our pilots
12 are back stateside training. When they are deployed, that
13 is a horse of a different color. But training, we should be
14 able to do a better job of providing predictability,
15 especially because our most skilled pilots, the ones who are
16 making these decisions, are captains and majors in their
17 late 20s and early 30s, the ones who are most likely to have
18 started families and have young children under the age of 5
19 when it is most critical that they have that support system
20 at home.

21 Mr. James, Senator Reed earlier mentioned about recusal
22 from I believe it is the St. John's, New Madrid floodway,
23 and you said that you would recuse from this project. I
24 think there was an incident earlier, may be in 2011 that you
25 had mentioned.

1 Would you like to give a little bit more color about
2 that instance? I think it probably reflects well on your
3 character and your suitability for this position.

4 Mr. James: Thank you, Senator.

5 First of all, along with Senator Reed, I would like to
6 make sure that we are on the same page here, sir, if I may.

7 There are two things there where I live.

8 There is the St. John's project, which is a flood
9 control project that would keep water from backing into an
10 area of farmland and have a closure and then be pumped over
11 the rainfall.

12 Then there is the Bird's Point-New Madrid floodway.
13 That is the floodway with an existing levee, which goes from
14 just below Cairo, Illinois, down the river to where this
15 project would be that allows that water to come in. But
16 that is the floodway area.

17 I think what you are speaking of, sir, Senator Cotton,
18 is that, in 2011, that floodway was operated for only the
19 second time since 1927. I was on the commission. The
20 floodway was operated. Major General Michael Walsh was the
21 president of the commission at that time.

22 It was his decision to either operate or not operate
23 that floodway. Myself and two more commissioners were there
24 with the general. That operation does not require a vote of
25 the commission. But General Walsh did ask for our

1 concurrence before executing that floodway. And the three
2 of us who were there gave our concurrence for executing that
3 floodway, therefore diverting the waters into that floodway
4 instead of letting them back up and pile up on Cairo,
5 Illinois.

6 Senator Cotton: Thank you for that. I mean, I think
7 it reflects well on you, Mr. James. And I appreciate you
8 elaborating. I appreciate your willingness to serve, and
9 everyone's willingness to serve. A lot of big challenges
10 that we have in our Armed Forces, and thank you for being
11 willing to pick up the rucksack and carry it forward again.

12 Chairman McCain: Senator Peters?

13 Senator Peters: Thank you, Mr. Chairman. And thank
14 you to each of the nominees for your willingness to serve.

15 Mr. James, my first question, or actually comment for
16 you, is that, in addition to flood control and dredging, the
17 U.S. Army Corps of Engineers' responsibility for America's
18 waterways also includes, as you know, environmental
19 sustainability. Critical to sustainability is preventing
20 the transfer of Asian carp from the Mississippi River to the
21 Great Lakes through the Chicago Area Waterway System.

22 Asian carp could, if they get into the Great Lakes,
23 could potentially devastate a multibillion-dollar fishery
24 industry, not to mention recreational and tourism industries
25 in the Great Lakes as well.

1 Preventing Asian carp from getting past the Brandon
2 Road Lock and Dam is key to reducing the risk of
3 introduction to the Great Lakes.

4 An Army Corps report released in August evaluates
5 options for reducing the risk of Asian carp. This draft
6 integrated feasibility study and environmental impact
7 statement recommended implementing a combination of
8 technologies, including noise, water jets, electrical
9 barriers, flushing, lock, and other nonstructural measures.

10 The release of this report for public review,
11 unfortunately, was delayed 8 months by the administration
12 and, subsequently, implementing the next steps is now also
13 delayed as well. The timeline for implementation stretches
14 out to 2025, which is unacceptable considering that an 8-
15 pound, 28-inch-long Asian carp was found just past a
16 critical chokepoint earlier this year.

17 So the Army Corps must take quick action. This is of
18 utmost importance for folks in the Great Lakes. I would
19 like to have a more detailed conversation than is possible
20 here in the 5-minute constraint of this hearing.

21 Also, there are issues related to Soo Locks, which is a
22 critical infrastructure project. I know that we have,
23 hopefully, a meeting scheduled soon, and I look forward to
24 having a very deep dive into what is a critical issue not
25 just for my State but all the States that border the Great

1 Lakes.

2 Mr. James: Thank you, Senator. And I am aware of
3 that. Actually, I have visited that area, the electrical
4 barriers that is there, the Brandon Road Lock and Dam as
5 well. I do not have the answers today, but I would really
6 entertain discussing that with you, if asked. And I
7 appreciate that very much, if I am confirmed.

8 Senator Peters: Good. Hopefully, we will have a
9 discussion before we get to confirmation. We will get that
10 scheduled as soon as possible. I would appreciate that
11 opportunity.

12 Dr. Jette, I am concerned, I think like everybody here
13 on the committee, with the Army's track record and
14 performance on modernization and acquisition issues.

15 Last week, I asked Dr. Esper, our nominee for Secretary
16 of Army, about issues particularly as they apply to the
17 Abrams tank modernization. I am worried, based on the
18 testimony that we have received in this committee, that the
19 Army is falling behind on a number of fronts, and that the
20 Army's own processes are particularly to blame.

21 The bottom line is I think the Army is way too slow.
22 We see significant progress in technologies on the
23 commercial side, especially areas that I focus a great deal
24 of effort on, which is self-driving vehicles and automation,
25 tremendous advances being made in Michigan in that front as

1 well as other parts of the country on the commercial side.

2 But I would like to ask you broadly about the Army's
3 culture when it comes to acquisition. I am particularly
4 concerned that there is, I am learning, a very unhealthy
5 conflict between key communities, the science and
6 technology, and requirements, testing, and acquisition
7 communities.

8 If requirements are overburdensome and are not
9 accurately tailored to soldiers' needs, we foster a testing
10 culture that is too risk adverse and which leans to
11 conservative acquisition processes that certainly do not
12 help the military move forward.

13 Michigan hosts TARDEC, which is the Army's engineering
14 center for ground vehicles. In September, TARDEC
15 successfully demonstrated a leader-follower self-driving
16 convoy on public roads in Michigan and Canada. This program
17 has tremendous prospects for the Army, particularly in
18 saving warfighters' lives with autonomy.

19 But I am concerned, as it moves from the science and
20 technology community over to the requirements, testing, and
21 acquisition process, we can see the same story happen again,
22 and a promising opportunity will be lost at a significant
23 cost to the taxpayer.

24 So my question, Dr. Jette, is, how will you work to
25 make sure that promising developments from the science and

1 technology community progress appropriately through the
2 requirements, testing, and acquisition process without
3 unnecessary delay, which probably means fixing the culture?
4 Your thoughts?

5 Dr. Jette: Senator, I appreciate the question. I have
6 to agree with a good amount of what you raised.

7 We have an architecture in the way that we do business
8 in the military, in the Army in particular, where the
9 acquisition is separate from the requirements, is separate
10 from testing. Those things then come together almost as an
11 interface as opposed to a cooperative effort.

12 My understanding is that the senior leadership of the
13 Army is looking at trying to put together these
14 multicultural teams to bring these communities together. I
15 will commit to you that, if there is any way I can
16 contribute to, support, or encourage that, I will do so.

17 I believe that an awful lot of our difficulties in
18 being able to move forward is based on this segregation of
19 functions and a lack of interaction between them. If I can
20 make that happen, I will.

21 And I actually think that a secondary part to that is
22 we need to do the same thing with respect to contracting,
23 testing, and cost-accounting. If they are not woven into
24 the process as well, we keep going through these steps, each
25 of them almost having gates, like Mr. James has to contend

1 with.

2 Senator Peters: Thank you. I look forward to working
3 with you, if confirmed.

4 Chairman McCain: Senator Tillis?

5 Senator Tillis: Thank you, gentlemen, all for being
6 here and for your service.

7 Mr. James and Mr. Manasco, I want to thank you all for
8 meeting with my staff. They reported very favorably. I am
9 sorry that I was not able to meet with you before the
10 hearing.

11 Mr. Manasco, I want to talk with you a little bit about
12 DOPMA and DOPMA reform. I think some of the questions that
13 have been asked today are rooted in the reality that we have
14 to modernize DOPMA. I serve on the Personnel Subcommittee
15 as chair and look forward to working with those who share my
16 view.

17 Mr. Chair, I think DOPMA is so old that you were
18 probably wearing leisure suits when it was first passed.

19 Chairman McCain: And I looked pretty good, too.

20 [Laughter.]

21 Senator Tillis: And disco was popular.

22 So I think we have a lot of opportunities for reform.

23 Can you give me, and very briefly because we have had a
24 vote called and I have a couple questions, what your top
25 priorities would be and whether or not you think we have to

1 look at that to address some of the root causes of these
2 problems?

3 Mr. Manasco: Senator, I agree with you. We should.

4 The world is more technical today than it was
5 yesterday, so we need to really look hard at having
6 technical tracks that really reward individuals for staying
7 in those roles, so they can be proficient and master their
8 tradecraft. We need to reward and compensate them
9 appropriately.

10 Senator Tillis: I think some of the frustration
11 expressed here can be addressed through some of the changes.
12 And the chair has made it very clear that he wants us to
13 look at that and have that be a very important part of the
14 NDAA next year. We are looking for a very aggressive
15 approach.

16 Dr. Jette, I neglected to bring my favorite prop to
17 share with anybody. I am sure you have been warned that I
18 have a 680-page document that is an RFP that took a couple
19 lines of service and 10 years to define the next generation
20 handgun.

21 If we are taking 10 years and 680 pages to define a
22 pistol, do you think that doesn't bode well for more complex
23 weapons systems? And what are you going to do to change
24 that in the Army?

25 Dr. Jette: Senator, I totally agree with you. I am on

1 the other side of this as a commercial person at this point,
2 getting contracts that are just inches thick for simple task
3 orders.

4 I think that there are multiple facets as to why that
5 occurs. Some of it has to do with contracting, contracting
6 methodologies, law. And we need to go back into that, find
7 out how to flesh all of this stuff out, so that we get down
8 to a functional contract that gets to the point that we can
9 hold people accountable for what the outcome of that
10 contract is, and to put contracting into a responsible
11 relationship, as opposed to simply just making a legal
12 contract all they have to do.

13 Senator Tillis: I agree. I really do believe, because
14 the Army had some hand in this after it first originated in
15 the Air Force.

16 You made a comment in response to a prior question,
17 that you could complete a process and not have a successful
18 result. In my opinion, the handgun RFP and acquisition
19 process may be instructive.

20 What steps along the way, either internally imposed DOD
21 requirements or statutorily imposed requirements, do we
22 really need to look at if we are going to remove the hurdles
23 and take a look at rightsizing acquisition processes for the
24 complexity of the thing being acquired? And I look forward
25 to getting your feedback on that.

1 Mr. James, I am always pleased to see somebody come
2 into this committee hearing and speak proper English, so I
3 appreciate you being here.

4 Chairman McCain: We are providing translations.

5 [Laughter.]

6 Senator Tillis: But in all seriousness, what I really
7 like is the language you are going to be able to speak among
8 people in agriculture and industry with your rich
9 background. I have maybe some questions we can have for you
10 after your confirmation.

11 I intend to support all four of your confirmations.

12 But can you tell me a little bit about, in the wake of
13 the significant storms last year -- and we had Matthew the
14 year before. We had some bouts with the Corps of Engineers
15 in terms of how they were managing the water flow in a 500-
16 year flood event for North Carolina last year.

17 Can you tell me what the major challenges are going to
18 be and how we can get these communities that have been
19 affected over the past couple years back on track with
20 recovery efforts that the corps would be involved in?

21 Mr. James: I think one of the major challenges that
22 the Corps of Engineers may want to look at is the fact of
23 the increasing amount of concrete upstream from each of
24 these areas that are being flooded. There is some climate
25 change involved in that, but there is also continuing sprawl

1 of our cities and towns upstream. So that brings the same
2 amount of water into the streams much faster.

3 But I feel that the corps, we need to look at that. If
4 I am confirmed, I am going to look at it and renegotiate how
5 much water is coming into those streams.

6 In engineering terms, it was called a friction factor
7 when I was in college. I do not know what it is called now.
8 But that is what it is. How fast does the water travel
9 until it gets to a stream?

10 Senator Tillis: Well, when you are confirmed, I hope
11 you will accept an invitation from me to go, particularly in
12 the eastern part of the State, and meet with the farmers and
13 people in industry that I think can be very cooperative and
14 very productive in that discussion and the strategy going
15 forward.

16 Mr. McMahon, I have run out of time. I am sensitive to
17 the fact that they have had a vote called, but I do want to
18 get back and speak with you about the contractor mix and the
19 sort of methodology. I am not one who thinks there are too
20 many contractors or too few. I do not know the answer. But
21 I am looking forward to working with somebody who can get us
22 to the right answer on what the mix should be between
23 contractors and DOD resources. That is probably something
24 you all could opine on.

25 But I am not going to ask you to question now. I am

1 going to yield back my time. But thank you all for being
2 here. I look forward to supporting your nominations.

3 Chairman McCain: Senator King?

4 Senator King: Thank you, Mr. Chairman.

5 Mr. James, I have a beef with the Corps of Engineers,
6 and I hope we can work it out. Otherwise, I am going to be
7 a nightmare for you during your tenure.

8 In 1968, when the chairman was the guest of the North
9 Vietnamese, the Corps of Engineers built a jetty on Cape
10 Ellis in Saco, Maine, which has continuously caused erosion.
11 We have lost 30 houses, two streets that have disappeared,
12 and the area is under constant threat.

13 The corps has not denied their fault in this. There
14 was an authorized appropriation in 2007 of \$26.9 million to
15 fix this. Ten more years of study and what we feel is
16 unwarranted delay, now the price has escalated. And the
17 corps is saying it is outside of the authorized amount, and,
18 therefore, we have to go through an entirely different
19 congressional process, effectively starting all over again.

20 I want your commitment to look into this in a very
21 serious way, to meet with me and officials from the City of
22 Saco, and see if we can find a creative solution within the
23 existing authorization in order to solve this problem that
24 has been going on for 40 years.

25 Mr. James: Senator, I am aware of that problem, and I

1 am aware that it has taken way too long to get to a fix on
2 that problem. And you have my commitment on that.

3 Senator King: Thank you, sir. I will look forward to
4 --

5 Mr. James: If confirmed. I do not think you would
6 want me to talk to you if I am not.

7 Senator King: I appreciate that.

8 Chairman McCain: Actually, he does not mind.

9 [Laughter.]

10 Senator King: It will be a good use of both of our
11 time, assuming you are confirmed.

12 My frustration is the amount that was authorized in
13 2007, if you simply escalate it for inflation, would equal
14 the amount that it is currently estimated for, which has put
15 it outside of the authorization. And the delay is just
16 unacceptable.

17 So I appreciate your commitment, and I look forward to
18 working with you on that.

19 Mr. Manasco, I am not going to beat the same horse that
20 has been discussed, but I want to associate myself with the
21 comments of the chairman and Senator Cotton. I met with a
22 group of pilots. The pilot-only track I think is something
23 that really needs to be explored. That is what we heard in
24 our meeting with the pilots. Again, you have already
25 committed on that.

1 Mr. Jette, on this procurement thing, Senator Tillis
2 talked about the 600-page spec for a pistol. I hope that
3 one of the things you can look at in reforming is thinking
4 about off-the-shelf products, products that are available,
5 that are already tested, that have already been in use
6 around the world.

7 And if they needed some modification, I am sure if you
8 are talking about an order of 100,000 for the U.S. Army, the
9 company would consider that. But I hope that is one of the
10 things.

11 And I hope you will tell us if there are things in the
12 law of procurement that need fixing. In other words, if the
13 department is bound by archaic statutes that require too
14 much red tape and too much time and too much bureaucracy,
15 tell us what needs fixing, because this committee is really
16 committed to procurement reform, as the chairman has pointed
17 out. But you have to tell us specifically, "Section
18 102(b)(4) needs to be fixed, because that is one of our
19 problems." I hope you will commit to doing that.

20 Dr. Jette: Senator, I commit to both of those.
21 Application and use of commercial technologies before we go
22 out and develop it ourselves is critical. Doing otherwise
23 would be a waste of money.

24 And as I said, I believe we need to go back and take a
25 look at acquisition processes and outcomes, and that may

1 require coming back and asking for legislative relief.

2 Senator King: I hope you will do that.

3 Secondly, we have had testimony before this committee
4 in the past 6 or 8 months from Silicon Valley saying we do
5 not even apply anymore. We do not want any part of this
6 process.

7 That is a real danger for our country because that is
8 where a lot of the innovation is coming from. And if we
9 basically have created a system where our most creative
10 small companies and creative minds -- not that there are not
11 creative minds in the larger companies, but that we are
12 excluding a very energetic and creative part of our economy
13 from the process, that is a loser for us.

14 Dr. Jette: Senator, there are 5,000 companies
15 basically on the defense contractor list. I know because I
16 was told I cannot invest in any of them. And there are 29
17 million corporations in the United States, many of which are
18 highly innovative, and they build everything else besides
19 defense work. We need to find a way to bring them into the
20 fold.

21 Senator King: Amen. Thank you.

22 Thank you, gentlemen, for your willingness to serve and
23 for your commitment to our country.

24 Thank you, Mr. Chairman.

25 Chairman McCain: Senator Warren?

1 Senator Warren: Thank you, Mr. Chairman.

2 And thank you to our nominees for your willingness to
3 serve and to your families.

4 Dr. Jette, I want to ask you the same question that I
5 have asked previous nominees for research and acquisition
6 jobs. I am concerned that the Army, like the other
7 services, is not sufficiently prioritizing basic and applied
8 research as compared to applied research for already mature
9 programs.

10 So I just want to know, if confirmed, will you commit
11 to making funding for basic research a priority? And can
12 you just say a word about what areas you will prioritize for
13 the Army?

14 Dr. Jette: Yes, Senator. I will commit to you that I
15 believe that is an area that we need to prioritize and make
16 sure that it is properly funded. Even though I was sent to
17 MIT on an Army program, it paid my tuition, but it did not
18 pay my research work. So I know even for programs we pay
19 for, we are not keeping these things coordinated and
20 developing. So, yes, I will commit to it.

21 Senator Warren: Okay, good. And let's talk later, we
22 can do this later, about the areas where you are really
23 going to prioritize here.

24 I know the budget pressures that the services are
25 facing, but basic research is the seed corn for our future

1 capabilities, and it is incredibly important that we not
2 neglect it.

3 So I also would like to ask you about how we take in
4 critical new technology that is developed outside the
5 government in the commercial sector. One way that the
6 department has done this is through the defense innovation
7 unit experimental, or DIUx.

8 We have a DIUx office in Cambridge. I am really proud
9 of the work they are doing to connect the scientific and
10 startup communities in Massachusetts with the Army Research
11 Lab at Natick and the Department of Defense.

12 So again, I want to ask, Dr. Jette, if you are
13 confirmed, do you commit to supporting and fully resourcing
14 DIUx in its partnership with the Army?

15 Dr. Jette: Senator, I believe in those processes. If
16 confirmed, I will do everything I can to make sure that
17 those are as capable as the Army budget will allow me to do.

18 Senator Warren: Okay. I am going to take that as a
19 yes.

20 Dr. Jette: Yes, I would.

21 Senator Warren: Good, okay. Good, good. I invite
22 you, actually, to come to Boston and to Natick to come see
23 the work that is being done there. It is really pretty
24 amazing stuff, so I want to see if we cannot get you out
25 there to do it.

1 Dr. Jette: Thank you, Senator. If confirmed, I would
2 love to do that. I love to go to Boston.

3 Senator Warren: All right, good. Good, we will get
4 you there.

5 So, Mr. Manasco, I would like to ask you about
6 recruiting and retention of highly skilled technology jobs,
7 which is absolutely critical for the Air Force. I think
8 this is an area where we can improve. For example, in
9 Massachusetts, we have some of the best computer scientists
10 and engineers in the world.

11 Many of them are actually looking for ways to try to
12 serve their country. But they may not think that they are
13 interested in a military career, and the military may not
14 think it should be interested in them. Right now, our
15 military recruiting system does not seem very well-suited to
16 recruiting and retaining this talent.

17 So can you just say a word about how we might change
18 our recruiting system so that we are identifying and
19 recruiting the best talent for jobs that are not traditional
20 military specialties?

21 Mr. Manasco: Senator, thank you for the question. For
22 the last part of my career, I have been immersed in
23 technology and leading technology teams. And so, as I said
24 before, the world is increasingly more and more technical,
25 and we need to create technical tracks, really career fields

1 that we can leverage over time that allow people to actually
2 stay where their passion is, allow them to continue to hone
3 those skills, and then reward them and let them grow in
4 their overall career.

5 So I think that we have to do a better job there, if I
6 am confirmed -- I have seen this, again, from the other side
7 of the equation. Like I said, if I am confirmed, you have
8 my commitment that I will lean into what I doing today and
9 see if we cannot streamline that and encourage those young
10 people that reside in the valley or in your State to
11 convince them to come join the United States Air Force.

12 Senator Warren: Good. Well, I really appreciate that.
13 I just think it is powerfully important that we think in a
14 more expansive way about how we identify and recruit the
15 kind of talent that the military needs. And if I can be
16 helpful in any way, I hope we can continue to work on this.

17 Mr. Manasco: Thank you, ma'am.

18 Senator Warren: Thank you.

19 Thank you, Mr. Chairman.

20 Senator Reed: [Presiding.] On behalf of Chairman
21 McCain, let me recognize Senator Kaine.

22 Senator Kaine: Thank you, Mr. Chair.

23 And thank you to all the witnesses.

24 Mr. James, I want to start with you because flooding is
25 a big issue in our life, just like it is in New Madrid and

1 Missouri. You talked earlier, I think, about the flooding
2 issues you dealt with have been more inland, but I just want
3 to share some thoughts about the issues we deal with.

4 Resilience is so important to coastal Virginia. A
5 combination of rising seas and a land subsidence issue is
6 causing the mid-Atlantic to experience the highest rate of
7 sea level rise on the East Coast, and it is estimated to
8 rise between 1.5 feet to 7 feet by the year 2100.

9 The Norfolk District of the Army Corps has been an
10 amazing leader in this area. They participated in a
11 regional whole-of-government effort that brings in our
12 military bases, our universities, the cities and counties in
13 the area, and it tries to basically align the efforts of all
14 stakeholders to deal with both prevention and resilience
15 investments.

16 In the WRDA bill in 2016, I requested, and it was
17 included, a provision that asked the Assistant Secretary of
18 the Army for Civil Works, your position, to convene an
19 interagency task force to support these collaborative
20 efforts in coastal communities around the Nation, including
21 Hampton Roads.

22 Are you aware of that? Or would you commit to work
23 with me on that, should you be confirmed?

24 Mr. James: No, sir, I am not aware of that direction
25 that you made to the ASA office. But if confirmed, I would

1 definitely take that up with you and be glad to work on it.

2 Senator Kaine: Excellent. I would look forward to
3 that, too.

4 And I will say I have been very pleased to work with
5 the Army Corps on many projects over the years all over the
6 State, Norfolk chief among them, the Eastern Shore, the
7 Chesapeake Bay, but also school construction in flood zones
8 in southwestern Virginia.

9 If schools are repeatedly flooded, why keep rebuilding
10 them? Let's try to build new schools elsewhere. The corps
11 has been incredibly flexible in dealing with the needs of
12 our State.

13 Norfolk is a quarter million people, but the metro area
14 is 1.6 million, and it is home to Naval Station Norfolk, the
15 largest center of naval power in the world. The base has
16 spent millions of dollars to elevate aircraft carrier piers
17 because of sea level rise. And there is an estimate that
18 just through normal tidal action, which is changing in
19 Hampton Roads, the main road in and out of the main naval
20 base in the world is going to be inundated 2 or 3 hours a
21 day by 2040. And that is not storms. That is just normal
22 tidal action.

23 Would you speak to your experience in dealing with
24 flood control infrastructure on the Mississippi River
25 Commission and how you might use that experience to address

1 some of the coastal issues, recognizing that you have not
2 dealt with coastal flooding issues before?

3 Mr. James: Yes, sir. Senator, quite honestly, the two
4 of those do not relate very well. When we are getting the
5 sea level rise and subsidence that I am somewhat familiar
6 with in the Louisiana coastline because our purview on the
7 commission went down into that area, I am somewhat familiar
8 with. The rest of this country, and I am not familiar with
9 that problem.

10 I know that comes under the purview that I will be
11 serving, if confirmed. It will be one of the most important
12 priorities I have to make, because the way I understand it,
13 it is going to affect the ports in all the country, as we
14 also have to address the silting problems, the tide
15 problems, and the sea-level rise.

16 So I would be more than happy to work with you, sir, if
17 I am confirmed, on this issue.

18 Senator Kaine: I look forward to it. I will just say
19 again, you are going to have an awful lot of great people in
20 the corps working with you on this issue. We have been
21 extremely happy with our partnership with the corps.

22 Mr. Manasco, I want to ask you this. I am the ranking
23 member on the Readiness Subcommittee of Armed Services.
24 Senator Inhofe is the chair. We hear a lot of testimony
25 about the importance of midgrade officers and

1 noncommissioned officers to turning around our readiness
2 challenges.

3 One of the issues that is underway is the
4 implementation of a blended retirement system. That was
5 largely done to try to keep midgrade people in.

6 I wonder if you would just offer your opinions on that
7 and the effort that you would undertake to make sure that is
8 implemented in a way that we keep the people in that we need
9 to keep in.

10 Mr. Manasco: Senator, I am aware of that new system.
11 As in all new programs such as that, you go into it well-
12 intended and you hope that the results are what you had
13 planned for.

14 So I agree that those midlevel NCOs and officers are
15 critical to the overall force. So we just need to monitor
16 carefully what choices they are making.

17 My sincere hope for the armed services is that we would
18 not have created a program that encourages people to leave,
19 because that would be a detriment to the overall lethality
20 of the force.

21 Senator Kaine: Great. Thank you.

22 Thank you, Mr. Chair.

23 Senator Reed: Thank you.

24 On behalf of Chairman McCain, Senator McCaskill,
25 please.

1 Senator McCaskill: Thank you.

2 It is so great to see you, Mr. James, and your family.
3 I am pleased to be supportive of you for many, many years as
4 you served on the Mississippi River Commission, and I think
5 you are incredibly qualified for the job you are about to
6 take on. But knowing where you are from and knowing what
7 the representative of the Army Corps sometimes has to put up
8 with at those moments when the Mississippi does what it
9 tends to do, which is go very, very high, it will be
10 interesting to watch you on the other side of the table, so
11 to speak. And I think you understand what a challenge that
12 is.

13 I particularly am worried about the budget. Could you
14 tell me how you feel about -- I know you can be a great
15 advocate. I am very worried about the President's budget
16 and the cut to the Army Corps. I do not need to tell you
17 the backlog of projects that impact our State's economy and
18 every State's economy that is blessed and cursed by the
19 rivers of our country.

20 Would you talk a little bit about your advocacy for the
21 budget?

22 Mr. James: Yes, ma'am. I will be happy to.

23 If confirmed, I will be an advocate for the budget. Of
24 course, in my position, if confirmed, I will also have to go
25 by what the administration declares is the budget. So if

1 that happens, then I would, in turn, work with the Congress
2 in trying to help develop a workplan to move forward as best
3 we can.

4 I also have some ideas as to how maybe to streamline
5 and cut out some redundant spending by the Corps of
6 Engineers. I am not familiar with the internal working of
7 the corps. But having been around that agency for so many
8 years, I do have some ideas that I would like to look into
9 with the chief.

10 We have so many requirements in the civil works arena
11 with locks and dams and infrastructure of all kinds,
12 ecosystem restorations and what have you, that the Corps of
13 Engineer has to oversee. And with a limited budget, it just
14 does not all get done. As I have heard here today from
15 these other gentlemen, we all seem to be paddling in the
16 same boat.

17 So I can only assure you, Senator, that I will
18 definitely be looking into cutting cost as well as
19 advocating for increased budget.

20 Senator McCaskill: I approve of both of those.

21 Let me talk just briefly about FUSRAP. As you know, we
22 have a real problem. FUSRAP is cleaning up the Manhattan
23 Project up in the St. Louis area. Now we have West Lake
24 Landfill, which is not under the jurisdiction of the corps.

25 Senator Blunt and I passed legislation through the

1 Senate last year transferring responsibility of the cleanup
2 of Westlake to FUSRAP. It did not get through in the House,
3 and so here we are.

4 I think that may be the right way to go forward. I
5 want to give the EPA a chance to redeem itself and regain
6 the confidence of the people in that community. But my
7 overall question for you is really more important. So many
8 of these FUSRAP sites, you have 25 active sites in 10
9 States, and there are so many families that are impacted by
10 the work that FUSRAP is doing. Yet there has never been a
11 comprehensive study of how long this is going to take and
12 how much money it is going to cost.

13 Would you commit to me to asking some of the personnel
14 at the Army Corps to put a pencil to paper and give Congress
15 some idea of what kind of budgetary needs there are for
16 these important sites as it relates to contamination that is
17 impacting the health of families, particularly Missouri that
18 I am concerned about, but all over the country?

19 Mr. James: Yes, ma'am. That is a very shocking
20 revelation to me that no one has done that to this point.
21 And if confirmed, I will definitely get with the Corps of
22 Engineers and see if we cannot get that started and
23 expedited.

24 Senator McCaskill: With the permission of the
25 chairman, could I have a couple minutes? Thank you.

1 As the ranking member on Homeland Security and
2 Government Affairs, I have a duty to ensure that all
3 disaster spending contracts with private industry have
4 oversight. I know that we are doing a lot of contracting
5 activity right now in the aftermath of the hurricanes,
6 through the Army Corps.

7 Do I have your commitment to provide any and all
8 information that I need in the role of oversight as it
9 relates to contracting after disaster recovery?

10 Mr. James: Yes, ma'am. Absolutely and gladly I will
11 provide you with that information as best I can obtain it.

12 Senator McCaskill: In the same light, the corps is
13 heavily involved with the construction of replacement
14 fencing along the border, as well as planning for the border
15 wall that President Trump has advocated. I sent a series of
16 questions to the Corps of Engineers related to the corps'
17 involvement with the preconstruction activities. I also
18 have asked for information about contracting for the 60
19 miles of replacement fencing for fiscal year 2017.

20 If confirmed, can I get your commitment that I can get
21 that information?

22 Mr. James: Absolutely, ma'am.

23 Senator McCaskill: Thank you so much.

24 And then very briefly for my Air Force person, and it
25 will be great, R.D., because I know how to get a hold of

1 you. And we have mutual friends. I can call them and say
2 get R.D. to call me.

3 On sexual assault prevention and domestic violence, I
4 know you do not have direct responsibility for how people
5 who are convicted under the UCMJ are added to the crime
6 reporting system in our country, but you do have
7 responsibility over some of the programming as it relates to
8 sexual assault prevention and domestic violence prevention.

9 Do I have your commitment that, as part of your job,
10 you will begin to look carefully to your peers and the chain
11 to really figure out how we are allowing someone with the
12 record of the man who committed the mass slaughter in the
13 church, how we are allowing him to go into civilian life
14 without the appropriate documentation of the reality of his
15 mental health?

16 Mr. Manasco: Yes, ma'am. I am a resident of South
17 Texas, and I have friends that were baptized in the church.
18 So you have my full commitment that I will do everything I
19 can, as you suggested.

20 Senator McCaskill: And we will continue to work with
21 you closely on all the sexual assault and prevention
22 numbers. The numbers are going the right way, but that
23 issue is not going away.

24 If the command for one minute thinks any of us are
25 going to put up with a backslide on this issue, I think they

1 are mistaken. And I hope that you will convey that to
2 everybody, as you take on your new role.

3 Mr. Manasco: Senator, my view is one incident is one
4 too many.

5 Senator McCaskill: Thank you very much.

6 Thank you all for serving and congratulations on your
7 appointments.

8 And thank you for giving me an extra 2 minutes.

9 Senator Reed: Yes, ma'am.

10 Thank you very much, and we want to thank your families
11 also.

12 On behalf of Chairman McCain, I declare the hearing
13 adjourned. Thank you.

14 [Whereupon, at 11:52 a.m., the hearing was adjourned.]

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